


(Original Signature of Member)109TH CONGRESS
2D SESSION**H. R.** _____

To require an investigation under the Defense Production Act of 1950 of the acquisition by Dubai Ports World of the Peninsular and Oriental Steam Navigation Company, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. KING of New York introduced the following bill; which was referred to the Committee on _____

A BILL

To require an investigation under the Defense Production Act of 1950 of the acquisition by Dubai Ports World of the Peninsular and Oriental Steam Navigation Company, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Foreign Investment
5 Security Improvement Act of 2006".



1 **SEC. 2. INVESTIGATION UNDER DEFENSE PRODUCTION**

2 **ACT OF 1950.**

3 (a) INVESTIGATION.—

4 (1) IN GENERAL.—Notwithstanding any other
5 provision of law, the President or the President's
6 designee shall conduct an investigation, under sec-
7 tion 721(b) of the Defense Production Act of 1950
8 (50 U.S.C. App. 2170(b)), of the acquisition by
9 Dubai Ports World, an entity owned or controlled by
10 the Emirate of Dubai, of the Peninsular and Ori-
11 ental Steam Navigation Company, a company that is
12 a national of the United Kingdom, with respect to
13 which written notification was submitted to the
14 Committee on Foreign Investment in the United
15 States on December 15, 2005. Such investigation
16 shall be completed not later than 45 days after the
17 date of the enactment of this Act.

18 (2) SUSPENSION OF EXISTING DECISION.—The
19 President shall suspend any decision by the Presi-
20 dent or the President's designee pursuant to section
21 721 of the Defense Production Act of 1950 (50
22 U.S.C. App. 2170) with respect to the acquisition
23 described in paragraph (1) that was made before the
24 completion of the investigation described in para-
25 graph (1), including any such decision made before
26 the date of the enactment of this Act.

1 (b) REQUIREMENTS FOR INVESTIGATION.—The in-
2 vestigation under subsection (a) shall include—

3 (1) a review of foreign port assessments con-
4 ducted under section 70108 of title 46, United
5 States Code, of ports at which Dubai Ports World
6 carries out operations;

7 (2) background checks of appropriate officers
8 and security personnel of Dubai Ports World;

9 (3) an evaluation of the impact on port security
10 in the United States by reason of control by Dubai
11 Ports World of operations at the United States ports
12 affected by the acquisition described in subsection
13 (a); and

14 (4) an evaluation of the impact on the national
15 security of the United States by reason of control by
16 Dubai Ports World of operations at the United
17 States ports affected by the acquisition described in
18 subsection (a), to be carried out in consultation with
19 the Secretary of Homeland Security, the Com-
20 mandant of the Coast Guard, the Commissioner of
21 the Bureau of Customs and Border Protection, the
22 heads of other relevant Federal departments and
23 agencies, and relevant State and local officials re-
24 sponsible for port security at such United States
25 ports.



1 (c) RESPONSIBILITIES OF THE SECRETARY OF
2 HOMELAND SECURITY.—

3 (1) IN GENERAL.—The Secretary of Homeland
4 Security shall provide the following information for
5 the investigation conducted pursuant to this section:

6 (A) Any relevant information on Dubai
7 Ports World from the Automated Targeting
8 System maintained by U.S. Customs and Bor-
9 der Protection.

10 (B) Port assessments at foreign seaports
11 where Dubai Ports World operates, to be con-
12 ducted as part of the review for the Container
13 Security Initiative, a U.S. Customs and Border
14 Protection program designed to target and
15 screen cargo at overseas ports.

16 (C) Copies of the completed validations
17 conducted through the Customs-Trade Partner-
18 ship Against Terrorism program by U.S. Cus-
19 toms and Border Protection.

20 (D) Any additional intelligence information
21 held by the Department of Homeland Security,
22 including the Office of Intelligence and Anal-
23 ysis.

24 (2) ADDITIONAL RESPONSIBILITIES.—The in-
25 formation required by paragraph (1) shall not be



1 construed as limiting the responsibilities of the Sec-
2 retary of Homeland Security in the investigation
3 conducted pursuant to this section.

4 (d) REPORT.—Not later than 15 days after the date
5 on which the investigation conducted pursuant to this sec-
6 tion is completed, the President shall submit to Congress
7 a report that—

8 (1) contains the findings of the investigation,
9 including—

10 (A) an analysis of the national security
11 concerns reviewed under the investigation; and

12 (B) a description of any assurances pro-
13 vided to the Federal Government by the appli-
14 cant and the effect of such assurances on the
15 national security of the United States; and

16 (2) contains the determination of the President
17 of whether or not the President will take action
18 under section 721(d) of the Defense Production Act
19 of 1950 (50 U.S.C. App. 2170(d)) pursuant to the
20 investigation.

21 (e) CONGRESSIONAL BRIEFING.—

22 (1) IN GENERAL.—Not later than the date on
23 which the report described in subsection (d) is sub-
24 mitted to Congress pursuant to such subsection, the
25 President or the President's designee shall provide



1 to the Members of Congress specified in paragraph
2 (2) a detailed briefing on the contents of the report.

3 (2) MEMBERS OF CONGRESS.—The Members of
4 Congress specified in this paragraph are the fol-
5 lowing:

6 (A) The Majority Leader and Minority
7 Leader of the Senate.

8 (B) The Speaker and Minority Leader of
9 the House of Representatives.

10 (C) The Chairman and Ranking Member
11 of the Committee on Banking, Housing, and
12 Urban Affairs, the Committee on Finance, and
13 the Committee on Homeland Security and Gov-
14 ernmental Affairs of the Senate.

15 (D) The Chairman and Ranking Member
16 of the Committee on Financial Services, the
17 Committee on Homeland Security, and the
18 Committee on Ways and Means of the House of
19 Representatives.

20 (E) Each Member of Congress who rep-
21 represents a State or district in which a United
22 States port affected by the acquisition described
23 in subsection (a) is located.



1 **SEC. 3. CONGRESSIONAL ACTION.**

2 (a) **IN GENERAL.**—If the determination of the Presi-
3 dent contained in the report submitted to Congress pursu-
4 ant to section 2(d) of this Act is that the President will
5 not take action under section 721(d) of the Defense Pro-
6 duction Act of 1950 (50 U.S.C. App. 2170(d)) and not
7 later than 30 days after the date on which Congress re-
8 ceives the report, a joint resolution described in subsection
9 (b) is enacted into law, then the President shall take such
10 action under section 721(d) of the Defense Production Act
11 of 1950 as is necessary to prohibit the acquisition de-
12 scribed in section 2(a), including, if such acquisition has
13 been completed, directing the Attorney General to seek di-
14 vestment or other appropriate relief in the district courts
15 of the United States.

16 (b) **JOINT RESOLUTION DESCRIBED.**—For purposes
17 of subsection (a), the term “joint resolution” means a
18 joint resolution of the Congress, the sole matter after the
19 resolving clause of which is as follows: “That the Congress
20 disapproves the determination of the President contained
21 in the report submitted to Congress pursuant to section
22 2(d) of the Foreign Investment Security Improvement Act
23 of 2006 on _____.”, with the blank space being
24 filled with the appropriate date.

25 (c) **COMPUTATION OF REVIEW PERIOD.**—In com-
26 puting the 30-day period referred to in subsection (a),

- 1 there shall be excluded any day described in section 154(b)
- 2 of the Trade Act of 1974 (19 U.S.C. 2194(b)).

